

PETER T. KING

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FINANCIAL SERVICES COMMITTEE

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POLICY, TECHNOLOGY,
AND ECONOMIC GROWTH
SUBCOMMITTEE

Congress of the United States

House of Representatives

Washington, DC 20515-3203

March 6, 2003

2003 MAR 18

INTERNATIONAL RELATIONS
SUBCOMMITTEE

The Honorable Donald Evans
Secretary
United States Department of Commerce
14th Street and Constitution Avenue, NW
Washington, D.C. 20230

Dear Mr. Secretary:

I am writing in support of an appeal submitted by Islander East, LLC to the Department of Commerce to overturn the October 15, 2002 decision by the Connecticut Department of Environmental Protection (DEP) regarding proposed construction of the Islander East pipeline. The natural gas that would be supplied to Long Island through this pipeline would solve pressing energy needs and greatly benefit residential, commercial, and industrial customers across the region.

It should be noted that the New York State Department of State recently issued its approval of Islander East's project, stating that it is "consistent" with the State's coastal zone management program, and that "further review...is not required."

Natural gas transport capability on to Long Island must be substantially increased. The robust economic growth in the past several years has created a demand for natural gas in this area that is well above the national average, particularly on the eastern end of Long Island due to residential and commercial growth. Increased power needs have mandated the establishment of new power plants on Long Island for which additional natural gas supplies are essential if these facilities are to be environmentally cleaner and more efficient. Supplying additional natural gas supplies will significantly reduce the region's current high-dependence on foreign oil imports for both production of electricity and space heating.

The New York Independent System Operator (NYISO) has stated that with demand for electricity and natural gas increasing on Long Island, additional gas-fired electric plants will need to be developed, along with the associated expansion of the regions natural gas transmission infrastructure. The NYISO has stated "it is critical that new plants be located 'in-city' and 'on-island' to maintain reliability, enhance competition, and support economic growth." It is clear to me that timely, additional natural gas infrastructure is necessary to support the energy needs for the economic activity and population expansion of the area.

With respect to environmental concerns, Islander East will employ horizontal direct drilling (HDD) technology that minimizes the need to dig a trench in portions of the pipeline route. This HDD technology—which will be used for the maximum feasible distance of approximately 4,000 feet out from the Connecticut shoreline—allows Islander East to dig a single hole and tunnel underground

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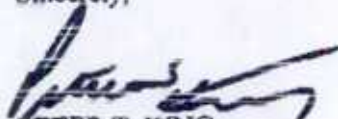
horizontally, thereby minimizing environmental impacts. This technique has been praised by well-regarded environmental conservation organizations for helping to significantly reduce the pipeline's impact on core preservation areas.

In addition, the pipeline will be placed beneath the ocean floor, causing minimum disturbance to near-shore shellfish beds and other environmentally sensitive areas. Furthermore, offshore construction activity will take place during the winter months, when fish and shellfish are less active and therefore less susceptible to disturbance.

I therefore respectfully request that the Department of Commerce consider the appeal by Islander East and make a judgement in favor of the project sponsors' position. I would be plicated to work with your office to provide any additional information you may need and to address any outstanding concerns you may have with respect to this matter.

Thank you for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter T. King", written over a light blue rectangular background.

PETER T. KING

Member of Congress



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

VIA FACSIMILE

MAR 17 2003

Frank L. Amoroso, Esq.
Nixon Peabody LLP
990 Stewart Avenue
Garden City, NY 11530

David H. Wrinn
Assistant Attorney General
State of Connecticut
55 Elm Street
P.O. Box 120
Hartford, CT 06141

Re: Request to Stay Processing of the Consistency Appeal of the Islander East Pipeline Company

Dear Messrs. Amoroso and Wrinn:

This letter advises that your joint request, dated March 14, 2003, to stay the proceedings in the Islander East consistency appeal, in order to allow settlement negotiations to occur, is granted. Consistent with your request, processing of the appeal is stayed pursuant to 15 C.F.R. §930.129(c)(2), through the period ending May 1, 2003, at which time the parties are to provide this office with a status report.

The State of Connecticut's brief and any supporting information and data will be due 45 days from the date the parties are informed the appeal has recommenced. The public comment period shall remain open during the stay; the federal agency comment period shall be extended to remain open throughout the length of the stay. Upon recommencement of the appeal, both comment periods shall be extended for a period generally commensurate with the length of the stay, taking into account the rescheduled due date for the State's brief. Specific closing dates for the public and agency comment periods as well as the date and location of a public hearing will be determined following the resumption of proceedings for the appeal.

If there are any questions concerning the stay, please contact Branden Blum of this office.

Sincerely,

Karl D. Gleaves
Assistant General Counsel
for Ocean Services





UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
Washington, D.C. 20230

OFFICE OF THE GENERAL COUNSEL

MAR 24 2003

The Honorable Peter T. King
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative King:

Thank you for your letter to Secretary Evans in support of the Islander East Pipeline Company's administrative appeal filed under the Coastal Zone Management Act (CZMA) and currently pending before the Department of Commerce. Islander East's proposed natural gas pipeline would extend from an interconnection near North Haven, Connecticut, and cross the Long Island Sound to a terminus in Suffolk County, New York. The National Oceanic and Atmospheric Administration (NOAA) processes many aspects of CZMA appeals for the Secretary, and therefore was asked to respond to your letter.

Please note that on March 14, 2003, the parties filed a joint request seeking a stay of the appeal proceedings, through May 1, 2003, in order to undertake settlement negotiations. The stay was granted on March 17, 2003 (copy enclosed). However, public comments on the appeal received by NOAA during the stay will be incorporated into the appeal record. Consequently, we will immediately add your letter to the record. Further, we welcome any additional information that you or your constituents believe would be relevant to the Secretary's decision. As indicated in our enclosed letter granting the stay, the public comment period will be extended beyond the current closing date of May 8, 2003, assuming the appeal process resumes. Additional information concerning the appeal, including correspondence with the parties and copies of relevant Federal Register announcements, can be found at the Department's consistency appeals web site, www.ogc.doc.gov/czma.htm.

Thank you again for writing on this important matter.

Sincerely,

James R. Walpole
General Counsel

Enclosure

